Delivering the Credentialed Workers British Columbia Needs

ITA SERVICE PLAN 2012/13 – 2014/15

ita
industry training authority

TABLE OF CONTENTS

MESSAGE FROM THE CHAIR 2

ORGANIZATIONAL OVERVIEW 4

CORPORATE GOVERNANCE 5

STRATEGIC CONTEXT 6

PERFORMANCE MANAGEMENT FRAMEWORK 8

An Updated Strategic Plan 8

Goal, Measure and Target Selection 8

Goals, Strategies and Measures 10

Data Sources and Benchmarking 12

GOVERNMENT'S LETTER OF EXPECTATIONS 13

SUMMARY FINANCIAL OUTLOOK 14

Future Financial Outlook 15

GLOSSARY 16

MESSAGE FROM THE CHAIR

To the Honourable Pat Bell
Minister of Jobs, Tourism and Innovation

It's my pleasure to submit this Service Plan on behalf of the Industry Training Authority (ITA). The plan honours foundational industry training principles, while envisioning new opportunities in today's complex and rapidly changing labour market.

We look forward to a central role for ITA in implementing strategies and seizing opportunities described in the *Canada Starts Here: BC Jobs Plan*. Always critical, trade skills assume even greater importance because of recent developments — an $8 billion federal shipbuilding contract, rapidly expanding resource-sector employment and the economic renaissance underway in northern British Columbia.

As well, this Service Plan reflects two core realities, driving ITA's focused efforts in areas where we can deliver the greatest value.

First, we primarily oversee industry training and issue related credentials. Working with industry, ITA defines occupational standards and develops effective means of testing training outcomes. This is the basis by which ITA awards highly valued credentials to individuals whose skills meet the standards.

Second, we enable British Columbians to acquire credentials, mainly by managing and funding apprenticeship training. This popular, proven and evolving training pathway combines institutional and work-based learning, and draws on the expertise of supervising journeypersons.

Our plan affirms a solid commitment to the apprenticeship model, and foresees renewed emphasis on its essential attributes — such as sponsorship firmly rooted in the workplace, and the necessity that apprentices be employed.

While focusing on apprenticeship fundamentals, ITA will also take steps to make the benefits of its standards and credentials more broadly available.

Even in more flexible delivery formats, the apprenticeship model is not well-suited to all occupations and industry sectors. This can be seen in the vibrancy of numerous alternative ways of acquiring and upgrading skills. They include college-based pre-employment vocational training, continuing education, co-op programs, online learning and employer-supported in-house training.

ITA discussions with stakeholders in late 2011/12 indicated strong industry interest in such approaches outside the traditional apprenticeship model while retaining defined standards, consistent assessment and provincial credentials. This suggests a way to open skill-recognition opportunities to a wider spectrum of the labour market.

Building on that stakeholder interest, we plan in 2012/13 to pilot application of the ITA credentials framework in some non-apprenticeship training contexts. We will add value in this area by developing and supporting the framework for occupational standards and assessment leading to occupational credentials.

This Service Plan is informed by detailed labour-market forecasts, specifically the most recent update of the *B.C. Trade Occupations Outlook 2010-2020* and ITA's supplementary analyses. Our plan also reflects input from *Facing the Challenge*, a December 2011 provincial conference where stakeholders focused on collaborative approaches to strengthening the province's industry training system.

Annual growth in trades demand is projected to average 1.2 per cent for a total of more than 104,600 job openings between 2010 and 2020. This outstrips projected labour supply growth of 0.9 per cent, and creates the potential for overall demand exceeding supply by 2016 and as early as 2013 for some trades.

The prospect raises serious concerns about intensifying skills shortages, particularly regional ones. A pool of skilled workers who lost jobs during the downturn may help meet reinvigorated labour market requirements and temper short-term training demand. But we must maintain enough institutional training capacity to ramp up once the economy absorbs that pool of workers.

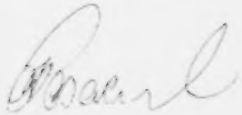
In essence, then, ITA's plan is to grow and diversify the number of credentials issued in the next three years — while maintaining the rigour of industry standards, and responding to supply-demand trends and related capacity issues. Specifically, we will:

- Strengthen employment as a feature of apprenticeship and the workplace relevance of pre-apprenticeship programs
- Make more improvements in the effectiveness of skills assessment processes generally and as they apply to foreign-trained and transitioning workers
- Continue engaging industry to encourage employer sponsorship and enhance the value of apprenticeship to sponsors
- Explore development of common level exams, subject to a business case, and continue supporting continuous improvement of apprenticeship technical training
- Continue to attract and support industry training participation by women, new immigrants and Aboriginal people
- Continue to promote industry training participation by youth, and facilitate smooth transitions from secondary school
- Raise brand awareness of the value of ITA credentials

This Service Plan was prepared under the direction of the board, which is accountable for its contents and certain of the reliability of data included. Consistent with the government's strategic priorities and fiscal plan, it conforms with the *Budget Transparency and Accountability Act* and the *B.C. Reporting Principles*.

We have considered all significant assumptions, policy decisions, events and identified risks as of January 2012. Measures are consistent with ITA's mandate and goals, and focus on critical performance aspects. Targets reflect past performance, current and forecast operating conditions, and labour market analysis.

Advancing this Service Plan, we look forward to ongoing collaboration with the ministry, the Regional Workforce Tables and our partners and stakeholders.



Sincerely,
Frank Pasacreta
Chair, Board of Directors

SINCE PUBLISHING OUR LAST SERVICE PLAN, WE HAVE:

- **Re-located** to a single Richmond office, ending a physical separation of our administrative and customer-service functions and creating opportunities to streamline operations
- **In collaboration** with Industry Training Organizations (ITOs), launched an enhanced employer engagement strategy to recruit more apprenticeship sponsors — including an online employer toolkit, a provincial multi-stakeholder conference, advertising, and speaking engagements and other executive outreach
- **Consulted** with industry on the enhanced assessment option for individuals who wish to challenge for credentials, as a basis for broader trade-specific implementation of assessment alternatives to supplement multiple choice exams
- **Collaborated** with the Canadian Council of Directors of Apprenticeship on incorporating Occupational Performance Standards into Red Seal program development, including additional standards validation and assessment testing
- **Rolled out** the ITA Direct Access information system for all apprentices and sponsors, giving them key online functionalities such as entry of work-based training hours and new-apprentice registration
- **Improved** customer service by linking new telephone software to Direct Access and upgrading our web site for more customer utility
- **Completed** an audit of current non-financial support needs of trainees, challengers and employers to inform future system improvements

ORGANIZATIONAL OVERVIEW

MANDATE AND PUBLIC PURPOSE

ITA governs, manages and continuously improves British Columbia's industry training system. We coordinate the engagement and contributions of the system's diverse stakeholders and ensure strong outcomes for two key customer groups: employers, and those seeking credentials through either training or the challenge process.

ITA strives to provide efficient and effective means of earning credentials – based on either training participation or existing skills – and to ensure that credentials provide reliable assurance of workplace-relevant skills. Such skills both align with current employer needs and support British Columbia's economic growth and prosperity.

ITA credentials support individual employability and sound hiring decisions. They are a key indicator of a skilled workforce, a vital pre-condition to investment and job creation.

ITA's mandate and accountabilities are defined in Part 3 of the *Industry Training Authority Act*, with elaboration in an annual *Government's Letter of Expectations* signed by our board chair and the Minister of Jobs, Tourism and Innovation (see page 13 and www.itabc.ca/Page61.aspx).

The membership and structure of ITA's executive and senior management team are shown on the facing page; this structure reflects the organization's core business areas.

All ITA staff work from our Richmond office; training occurs throughout the province, and information and examination services are available at Service BC locations.

ITA DELIVERS TRAINING AND SERVICES THROUGH THESE PARTNERSHIPS:	
Industry Training Organizations	Independent not-for-profit organizations established by industry in specific sectors. They provide input on the strategic direction of the industry training system and on program standards and training plans, promote employer sponsorship, and deliver services such as challenger assessment. Individual ITO partnership agreements with ITA define performance expectations.
Technical Training Providers	Public and private organizations delivering pre-apprenticeship training and institution-based or technical apprenticeship training, with performance expectations defined in training plans.

TWO CUSTOMER GROUPS BENEFIT FROM THE WORK OF ITA:	
Pre-apprentices, Apprentices and Challengers	Achieve improved employment and career opportunities from earning ITA credentials.
Employers	Benefit from access to workers with well-developed and verified skills meeting labour market needs.

CORPORATE GOVERNANCE

ITA is governed by nine directors appointed by the Minister of Jobs, Tourism and Innovation. With diverse backgrounds and extensive industry- and training-related expertise, directors are guided by the best interests of ITA and its customers. They serve for terms of varying lengths with the possibility of re-appointment. Each serves on one or more of three standing committees: audit, governance and human resources.

Guiding the board are best practices in the private and public sectors and the disclosure recommendations of the Provincial Government's Board Resourcing and Development Office. (www.itabc.ca/Page59.aspx)

DIRECTORS AND COMMITTEE RESPONSIBILITIES

Frank Pasacreta (Chair)	Ex-officio member of all committees
Allan Bruce	Governance, Human Resources
Jack Carthy	Audit (Chair), Governance
Jack Davidson	Audit
David Fehr	Human Resources
Tom Kirk	Governance, Human Resources (Chair)
Kurt Krampl	Governance (Chair), Human Resources
Patty Sahota	Audit
Laura Stanton	Audit

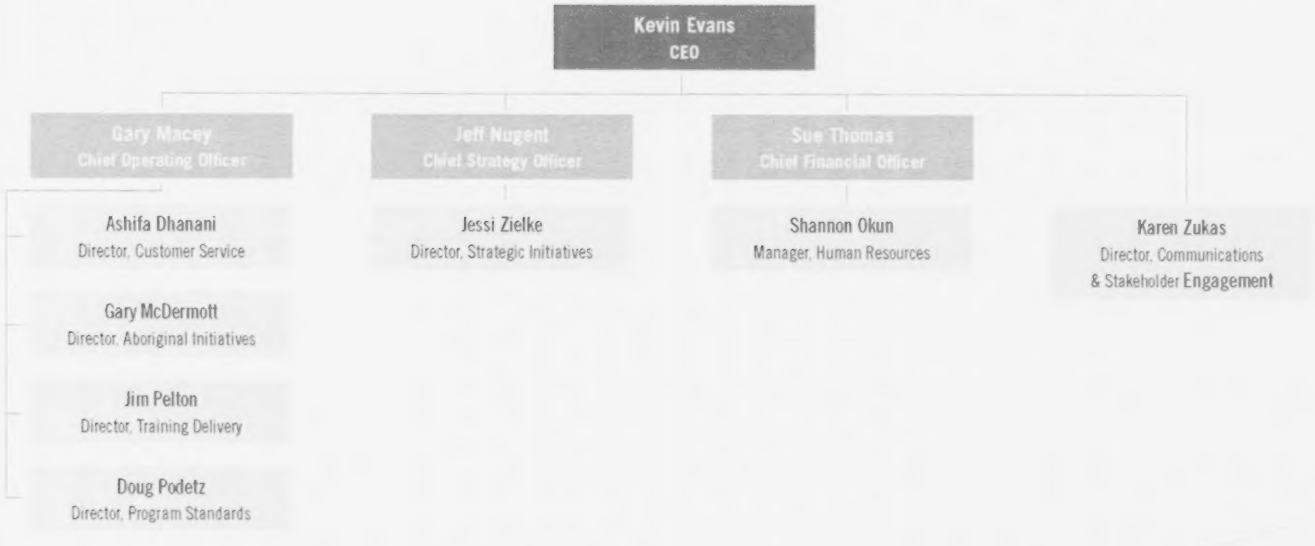
BOARD ROLE

- Set vision and strategic direction and empower management to pursue them
- Ensure appropriate risk-management measures are in place
- Hold management accountable for defined performance results
- Ensure effective use of resources
- Report to government, stakeholders and the public

GOVERNANCE PRINCIPLES

- Directors are independent of both government and ITA management
- Terms of reference clearly define chair, director and committee responsibilities
- Oversight of management is meaningful
- Board and employees follow a rigorous code of conduct
- Governance improves continuously through professional development of directors and annual board assessments
- Governance practices are transparent

ITA EXECUTIVE AND SENIOR MANAGEMENT TEAM



STRATEGIC CONTEXT

Looking broadly to 2012/13 and beyond, two aspects of our operating environment are expected to significantly influence ITA's success in meeting its overall mandate and the targets defined in this plan.

LABOUR MARKET OUTLOOK

British Columbia is still coming back from the interrupted economic growth in 2008/09 that reduced skilled trades employment. Building from recent employment gains, the current forecast is for trades labour demand exceeding supply in some occupations, although re-absorption of unemployed workers will moderate short-term training requirements. Major or enduring skills shortages can negatively impact investment decisions, and ITA intends to maintain enough training capacity to meet longer-term needs, while leveraging strong labour market demand to expand training participation and issue more credentials.

POTENTIAL FOR BROADER APPLICATION OF ITA CREDENTIALS

Our province uses diverse training models to address needs extending beyond the traditional apprenticeship model, including college-based pre-employment vocational training, continuing education, co-op programs, online learning and employer-supported in-house training. The value of these programs would be enhanced by standardized assessment and credentialing. In late 2011/12 with discussions with stakeholders, we identified an interest in applying ITA standards and credentialing expertise to non-apprenticeship training. This would extend the breadth of the value of our activities.

As well, we hosted a December 2011 multi-stakeholder conference titled *Facing the Challenge*. This was a forum where ITA and its partners discussed critical issues facing industry training and generated ideas for collaborative actions to address labour market challenges. Conference outcomes informed development of this Service Plan and many strategies that ITA will pursue over the next three years.

Here are more specifics on strategic factors, operational risks and opportunities that will be relevant during the planning period:

RISK OR OPPORTUNITY	IMPLICATIONS AND RESPONSES
Industry training depends on industry engagement	Occupation-specific expertise and service-delivery capacities within industry are essential to the training system, while apprenticeship itself relies on sponsorship participation. The combination ensures training is industry driven. Insufficient engagement could impair capacity to meet skilled labour demand, particularly if it were to limit sponsorship participation. ITA partnership agreements with ITOs secure industry engagement in program development and service delivery. ITA, in cooperation with ITOs, will continue enhancing sponsorship engagement by building on a multi-faceted campaign begun in 2011/12. Creation of a sponsor value index will provide insight into factors impacting the quality of the sponsorship experience, and inform recently expanded and ongoing efforts by ITA and ITOs to increase sponsorship participation. Concurrently, ITA will move to refine the definition of sponsorship to ultimately limit it to employers and employers' agents, reinforcing apprenticeship's work-based nature.
Technical training is provided by external partners	Delivery of apprenticeship's institution-based component is outsourced to private and public training providers. While this efficiently leverages specialized resources and expertise, it requires effective occupational performance standards and processes for consistency and continual improvement. Contractual training plans define high-level outcomes and performance expectations, and ITA continues to emphasize fuller implementation of occupational performance standards and development of common level exams. This should help identify opportunities for training delivery improvement.

RISK OR OPPORTUNITY	IMPLICATIONS AND RESPONSES
Labour market demand is variable both regionally and for individual occupations	Projected growth rates for specific trades vary considerably, as do labour supply and demand regionally. This raises the risk of unintended over- or under-investment in some contexts, which could in turn lead to inefficient resource use or unmet labour market needs. In 2012/13, ITA's training investment will maintain sufficient system capacity to meet mid-term requirements, which will increase as both the economy and training demand strengthen. ITA training investments reflect occupation- and region-specific projections in the *B.C. Trade Occupations Outlook 2010-2020*, as well as related analysis and sector-specific input from ITOs. This allows us to align outcome targets with labour market needs, while accounting for short-term capacity requirements. ITA will also use input from recently established Regional Workforce Tables to optimize its spending.
Specific population groups remain under-represented in industry training	Women's representation stands at only about 15 per cent in trade occupations as a whole; new immigrants are also significantly under-represented (2006 Census). This leaves untapped major segments of the labour pool from which prospective apprentices could be drawn. Using Canada-BC Labour Market Agreement funding, ITA will continue delivering and refining programs to expand trades training participation by women, new immigrants and Aboriginal people. Program evaluations will assure continuing alignment with targeted outcomes. Concurrently, ITA will continue to offer a suite of programs designed to expand trades training participation by youth.
Demand for possible expanded application of ITA standards remains to be determined	While recent discussions with stakeholders suggest interest in broader application of ITA credentials, the level of demand is still unclear. If it were high, this could strain standards- and assessment-development capacities, although we do not foresee managing or funding additional training pathways. Expansion will proceed on a pilot basis, allowing assessments of demand and resource requirements, and efficient development of necessary infrastructure.

PERFORMANCE MANAGEMENT FRAMEWORK

AN UPDATED STRATEGIC PLAN

This Service Plan contains a different mix of goals and measures than our other, recent plans. It reflects comprehensive planning and a strategic plan updated in 2011/12 by the board to guide our activities over the next three years. The new strategic plan, which will be publicly released in early 2012/13, differs in a number of respects from the last one developed in 2008/09.

Still, goals and measures in this Service Plan remain consistent with ITA's legislative mandate and policy direction from government (see page 13), with strong continuity in high-level outcomes sought and public purposes served. Goals are directly aligned with ITA's central credentialing function and with its core responsibility for oversight of apprenticeship delivery.

Defined targets will provide reliable indications that ITA is effectively carrying out its mission and realizing its vision in the context of a rapidly changing operating environment.

MISSION

To lead British Columbia's industry skills training and certification system through collaboration and innovation

VISION

Highly skilled and productive people making British Columbia's industries prosperous and globally competitive

GOAL, MEASURE AND TARGET SELECTION

New measures in this Service Plan will more meaningfully gauge success — in light of previous outcomes, the evolution of ITA's operating environment and the expectation that we will begin to award industry training credentials outside the apprenticeship context. Reasons for discontinuing some previous measures are noted here; rationales for all measures in this plan appear in individual descriptions below. Tracking and assessment of discontinued measures — such as total participants, challengers and wait times — will continue outside the context of the Service Plan.

PREVIOUS SERVICE PLAN MEASURES

Goal: Industry training system makes valuable contribution to B.C.'s prosperity

Capacity utilization	Continued in new plan
Apprentices waiting more than 12 months for next level of training	Discontinued because wait times are no longer a widespread constraint and, even as recovery increases demand, are not expected to exceed 5%, which is deemed an optimal balance

Goal: Employers and industry have the skilled workers they need to be successful

Percentage of registered participants in ITO-managed programs	Discontinued because this is currently high (95%) with little scope for improvement or likelihood of significant variation
Total registered sponsors	Continued in new plan
Employment in trades 6-12 months after certification	Discontinued because this is at a high range (99.3% in 2011/12) with little scope for improvement or likelihood of significant variation

PREVIOUS SERVICE PLAN MEASURES

Goal: Individuals are recognized for their skills and knowledge and have opportunities to develop to their full potential

Total registered training participants	Discontinued because registered training participants and challengers are interim measures; number of credentials issued is a more effective indicator of the training system's contribution to meeting labour market needs
Registered challengers	Discontinued for the reasons outlined immediately above
Credentials Issued	Continued in new plan

NEW SERVICE PLAN MEASURES

Goal: Credentials are valued by a broad range of industries and individuals, and align with the economic needs of B.C.

Credentials issued	Continued from previous plan
ITA investment per credential issued	New
Satisfaction of employers and credential holders with ITA credentials	New

Goal: Employment-based apprenticeship training is viable, efficient and effective in producing credentialed workers

Total registered sponsors	Continued from previous plan
Continuation to apprenticeship	New
Sponsor value index	New
Capacity utilization	Continued from previous plan

GOALS, STRATEGIES AND MEASURES

1 ITA credentials (e.g. Certificates of Qualification) are valued by a broad range of industries and individuals, and align with the economic needs of British Columbia

Strategies

- Expand credentialing framework to meet industry and occupational needs that don't readily lend themselves to the apprenticeship training model
- Use marketing to raise brand awareness of the value of ITA credentials
- Strengthen the rigour of assessment used for credentialing
- Collaborate with Canadian Council of Directors of Apprenticeship on evolving a more robust occupational standard format for National Occupational Analyses

PERFORMANCE MEASURE	2010/11 ACTUAL	2011/12 FORECAST	2012/13 TARGET	2013/14 TARGET	2014/15 TARGET
Credentials Issued	7,318	7,450	7,500	7,750	8,000
ITA investment per Credential Issued	$15,017	$14,167	$14,222	$13,762	$12,013
Satisfaction with ITA Credentials **- Employers** **- Credential holders**	n/a	n/a	Establish Methodology & Baseline	TBD	TBD

ITA's primary function is to set high-quality, workplace-relevant standards and issue credentials to individuals who meet the standards. This makes the **number of credentials issued** the most fundamental outcomes measure. Targets primarily align with projected mid-term provincial labour market requirements, considering recent participation levels, progression and completion trends. The target for 2013/14 was reduced from 8,000 to better reflect current labour-market demand outlooks, recent industry training participation trends negatively impacted by the recession, and the need to re-absorb unemployed skilled workers.

Investment per credential issued consists of total annual expenditures divided by credentials issued during the fiscal year. It indicates annual resource-use efficiency. Targets were calculated with reference to the targeted number of credentials and forecast expenditures during the planning period.

Satisfaction with ITA credentials is an indication of the value attached to the primary training system outcome by its two customer groups. This is likely to correlate with outcomes such as improved labour market competitiveness and availability of workplace-relevant skills. A methodology and baseline measurement will be developed during 2012/13, with subsequent targets set for achievable and meaningful levels of continuous improvement.

2 Employment-based apprenticeship is viable, efficient and effective in producing credentialed workers

Strategies

- Strengthen alignment between employers and pre-apprenticeship and apprenticeship training programs
- In collaboration with ITOs, continue fostering strong employer engagement, particularly with regard to sponsorship
- Introduce continuous technical training improvement mechanisms such as common level exams
- Attract and maintain targeted support for groups facing barriers to participation in apprenticeship, and continue to promote industry training among youth

PERFORMANCE MEASURE	2010/11 ACTUAL	2011/12 FORECAST	2012/13 TARGET	2013/14 TARGET	2014/15 TARGET
Total Registered Sponsors	9,856	9,200	9,500	9,900	10,300
Sponsor Value Index	n/a	n/a	Establish Methodology & Baseline	TBD	TBD
Continuation from Pre-Apprenticeship to Apprenticeship[1]	42%	41%	42%	43%	46%
Capacity Utilization	89.3%	88.1%	88.5%	89.5%	91.0%

Total registered sponsors measures availability of the work-based training that is an essential component of apprenticeship. More generally, it is also an indicator of employer engagement. Targets align with a level of work-based training availability expected to be sufficient to deliver the targeted number of credentials over time. For 2012/13 and 2013/14, targets were adjusted down from 11,000 and 11,200, respectively, to reflect current labour-market demand outlooks and recent sponsorship participation trends negatively impacted by the recession. Forecast performance for 2011/12, for example, is below target.

While its make-up remains to be defined, the **sponsor value index** will be a composite measure of the benefits that employers associate with sponsoring apprentices. It will likely become a leading indicator of sponsorship participation, and help to enhance the sponsorship experience over time. A methodology and baseline measurement will be developed during 2012/13, with targets set to reflect achievable and meaningful levels of continuous improvement.

Continuation from pre-apprenticeship to apprenticeship programs had previously been tracked and included in ITA's monthly statistical reports. We have made it a Service Plan measure because of greater emphasis on ensuring pre-apprenticeship programs are closely workplace-linked, focused on trade-specific job-readiness and provide effective pathways to apprenticeship. Targets reflect achievable and meaningful levels of continuous improvement, and align with the targeted number of credentials issued over time.

Capacity utilization is the percentage of seats used in ITA-funded technical training. This measures the efficiency with which ITA's largest spending category is managed. Targets strike a balance between efficient spending and the need to mitigate pressure to reduce training capacity during periods of temporarily reduced demand. Recent performance and targets lower than 90 per cent reflect such a temporary reduction, an outcome of the economic downturn and its lingering impacts.

[1] As reported to date, this measure had been based on continuation by participants in Foundation programs. Beginning in 2013/14 it will be expanded to include participants in youth-specific pre-apprenticeship programs, as well as participants in ITA programs targeting increased trades participation by women, new immigrants and Aboriginal people.

DATA SOURCES AND BENCHMARKING

MEASURE	DATA SOURCE
Number of Credentials Issued	ITA Direct Access
Investment per Credential Issued	ITA Direct Access cross-referenced with total expenditures as per ITA financial reporting
Satisfaction with ITA Credentials – Employers, Credential holders	Measurement to be undertaken by a professional opinion research organization
Total Registered Sponsors	ITA Direct Access
Sponsor Value Index	Measurement to be undertaken by a professional opinion research organization
Continuation to Apprenticeship	ITA Direct Access and other program data
Capacity Utilization	ITA Direct Access cross-referenced with utilization data provided by technical training providers

ITA's Direct Access information management system will be the data source for most of this Service Plan's performance measures. It was custom-designed to address our unique customer-service and performance-management requirements, and is subject to clear data-entry guidelines and business rules. Management has confidence in the quality of the resulting data and the accuracy of additional cross-references and calculations required for some measures. Use of appropriate best practices and quality assurance standards will be required of opinion research providers.

ITA annual reports provide benchmark comparisons with other Canadian jurisdictions on key performance outcomes, such as number of credentials issued and interprovincial examination pass rates. External benchmarking, however, is of limited use in setting targets for specific performance measures due to the great variability of training frameworks, programs and labour market conditions across Canada. This plan is more heavily informed by internal benchmarking against past performance.

GOVERNMENT'S LETTER OF EXPECTATIONS

Government has identified the following ITA accountabilities in the most recent letter of expectations signed-off by the Minister of Jobs, Tourism and Innovation and the chair of ITA's board of directors (www.itabc.ca/Page61.aspx). Major anticipated strategies and related actions during the planning period are identified in connection with each accountability, in the right-hand column.

ACCOUNTABILITY	ACTION
Implement a strategy, approved by government in the fourth quarter of 2011/12, to maximize ITA's contribution to the industry training system, and the system's effectiveness in meeting industry needs and objectives of the *Canada Starts Here: BC Jobs Plan*	• This strategy is described in this Service Plan, and key elements include: - Work with ITOs and training providers to strengthen existing apprenticeship programs where required - Work with industry to develop program standards for occupations requiring training models beyond traditional apprenticeship - Enhance assessment tools and processes to better enable credentialing based on skills gained outside of the British Columbia apprenticeship system
Collaborate with the Ministry on a review of client/beneficiary satisfaction with ITA activities	• Will collaborate as per terms to be defined by Ministry of Jobs, Tourism and Innovation
Participate in a government-led review to assess the adequacy of training equipment for ITA-funded programs	• Will participate as per terms of reference
Expand employer participation in industry training and provide a progress report by October 2012	• Continue to collaborate with ITOs on sector-specific engagement • Engage local industry and other stakeholders through community-based forums on region-specific labour-market issues • Continue improving ITA's website and Direct Access system to foster employer engagement • Maintain employer-oriented advertising • Draw on research undertaken for the new sponsor value index measure to identify new opportunities to improve the employer experience and thereby expand participation
Address customer service gaps, in collaboration with ITOs and training providers	• Continue to enhance ITA's website and Direct Access system to facilitate information access and services for all customers • Continue to refine tracking of customer-service performance as continuous improvement tool • Further enhance training and resource materials for customer service staff • Improve alignment between ITA and ITO services to foster "one-call" customer responses
Support carbon neutrality	• Maintain reduced travel requirements through use of audio and video conferencing, 100 per cent recycled paper and lower-carbon IT technology

SUMMARY FINANCIAL OUTLOOK

($000's)	2010/11 Actual	2011/12 (forecast)	2012/13 (forecast)	2013/14 (forecast)	2014/15 (forecast)
REVENUE					
Contributions from the Province [1]	111,614	103,382	106,129	105,704	94,444
Contributions from the Government of Canada	634	64	–	–	–
Other Income	1,040	5,334	480	950	1,658
Total Revenue	**113,288**	**108,780**	**106,662**	**106,654**	**96,102**
EXPENDITURES					
Standards Development	2,608	2,693	3,227	3,497	3,697
Industry Engagement: Non-standards Work [2]	3,621	3,399	2,199	2,199	2,199
Credential Brand Awareness	–	–	300	300	300
Assessment and Certification	1,833	1,238	1,028	1,028	1,028
Training Delivery [3]	79,349	75,880	77,370	77,370	73,870
Labour Supply Initiatives (including youth programs)	14,068	12,901	13,110	13,000	5,240
ITA Core Expenditures	7,827	8,746	8,706	8,538	9,046
Amortization	590	690	722	722	722
Total Expenditures	**109,896**	**105,547**	**106,662**	**106,654**	**96,102**
Transfer to Capital Reserve	**3,392**	**3,233**	**0**	**0**	**0**

[1] **Contributions from the Province*:**					
Ministry – General Funding	94,444	94,444	94,444	94,444	94,444
Ministries – Other Funding and Grants	17,149	8,938	11,685	11,260	–
Recognition of Deferred Contributions	21	–	–	–	–
	111,614	103,382	106,129	105,704	94,444

* The 2013/14 and 2014/15 forecasts are provided for planning purposes only, and are subject to annual approval of the Legislature.

[2] As of the release date of the Service Plan ITO partnership agreements were not finalized.

[3] Includes apprenticeship and Foundation programs, E-PPRENTICE development and delivery and QP curriculum development.

The above financial information, including forecast information, was prepared based on current Canadian Generally Accepted Accounting Principles (GAAP - PSAB)

SUMMARY FINANCIAL OUTLOOK

ITA receives most of its revenue in the form of a core operating grant from the provincial government ("Ministry – General Funding"). Additional funding (included in "Ministries – Other Funding and Grants") is received via the provincial Labour Market Agreement (LMA) for programs to support trades participation by woman, immigrants and Aboriginal people; and for training delivery. Additional revenue is received from other sources such as examination and assessment fees.

Major types of expenditures include: payments to post-secondary institutions, private training providers and school districts for training delivery; payments to ITOs for various services (e.g. program standards, assessment and industry engagement); and payments to service providers for delivery of services to eligible clients under the Canada-BC Labour Market Agreement (LMA).

ITA is not a capital intensive organization and has no capital projects valued at more than $50 million. Capital activity is primary focused on IT development and while it has averaged about $1 million annually it is expected to grow during the second and third years of the service plan period.

Consistent with direction from the Ministry of Finance, our summary financial outlook is based on Public Sector Accounting Board (PSAB) accounting guidelines. It reflects the following assumptions:

- Ongoing receipt of a core operating grant from the Ministry of Jobs, Tourism and Innovation
- Receipt in 2012/13 and 2013/14 of new funding made available through the LMA for training delivery
- Continued receipt in 2012/13 and 2013/14 of funding made available through the LMA, specifically for programs to support industry training participation by women, immigrants and Aboriginal people
- Achievement by technical training providers of targeted utilization levels (per cent of ITA-funded technical training seats filled)

FUTURE FINANCIAL OUTLOOK

ITA will continue to align its investment in training with the three- to five-year outlook for labour market demand, informed in part by the Province's Labour Market Scenario Model. Budgeted amounts are believed to be appropriate to achieve both short-term training capacity maintenance, and alignment of mid-term training capacity to the regional economic needs of the province.

Key activities envisioned within this Service Plan will be primarily funded within the core operating grant. These include existing credentialing activities, technical training delivery, investments to support continuous improvement in technical training delivery, credential brand awareness activities, and enhanced tools for apprentices and sponsors.

Additional resourcing will need to be identified to support the capacity required to expand ITA's credentials framework beyond apprenticeship programs alone — assuming confirmation of an industry desire for such expansion, and government approval of ITA's strategic plan.

In order to better ensure appropriate accountability and return on investment, ITA has re-structured its investment in activities directed at supporting youth program participation in the K-12 system.

The enhanced assessment option for challengers was piloted in 2011/12. The transition to a full operational model will include development of a business model that will ensure financial sustainability.

By March 2014 (when the current Canada-BC Labour Market Agreement expires), ITA will have invested more than $44 million, largely in labour-supply development.

GLOSSARY

APPRENTICE

A person who registers with the Industry Training Authority and pursues an industry training program — combining work-based training with technical or institution-based training — with the intent of obtaining an industry training credential.

B.C. TRADE OCCUPATIONS OUTLOOK

A comprehensive 10-year assessment of labour supply and demand expectations within a representative list of 15 trade occupations, prepared by BC Stats for the Ministry of Jobs, Tourism and Innovation.

CHALLENGERS/CHALLENGE PROCESS

Individuals who have not participated in a formal apprenticeship program in Canada, but who have been assessed and approved to undergo final certification assessment requirements based on their prior experience and existing skills.

COMMON LEVEL EXAMS

Examinations developed by ITA for standardized use by training providers in determining successful completion of a specific level of a multi-year apprenticeship program.

CREDENTIAL/CERTIFICATION

Recognition that an individual has met the requirements of an industry training program either through participation in a formal apprenticeship program or through a challenge process. In B.C., credentials take the form of provincial Certificates of Qualification (often issued with inter-provincial or Red Seal endorsements), Certificates of Apprenticeship, and Certificates of Completion (Foundation programs).

DIRECT ACCESS

An information management system designed to track system-wide performance, and provide apprentices and sponsors with the ability to register, access program information, check transcripts, enter training hours and trigger recommendation letters.

ENHANCED ASSESSMENT

Any of a range of standards-based means of assessing competency — such as interviews and observation of the practical application of defined skills — that are alternatives to written examinations.

FOUNDATION PROGRAMS

Pre-apprenticeship and primarily school-based programs (including those formerly known as Entry Level Trades Training Programs) directly aligned with apprenticeship programs, and providing an entry point by which participants can earn credit for level 1 technical training without the need for a sponsor who has committed to provide work-based training.

INDUSTRY TRAINING ORGANIZATION

An industry-directed, not-for-profit legal entity with responsibility for developing and managing industry training programs province-wide within a particular economic sector (e.g. horticulture, automotive repair, transportation, ICI Construction).

JOURNEYPERSON

A person who holds a credential in one or more trades.

LABOUR MARKET AGREEMENT

Bilateral agreements under which the federal government provides funding for specific labour market initiatives for which the province then assumes responsibility to design and deliver.

NATIONAL OCCUPATIONAL ANALYSIS

A document identifying tasks, tools, employment contexts and required skills and attributes relevant to each Red Seal trade, and which informs program materials and assessment tools.

OCCUPATIONAL PERFORMANCE STANDARDS

Precise documentation of the level of workplace performance, based on defined criteria, expected by industry of a competent individual within a particular occupation.

RED SEAL

A national program providing a standardized endorsement for specific occupations/trades and allowing for greater labour mobility across provincial/territorial boundaries. Upon successful completion of a Red Seal exam, a Red Seal endorsement is added to the provincial credential.

SPONSOR

A qualified individual or other legal entity (often, but not necessarily, an employer) that commits to ensuring that an apprentice receives work-based training relevant to his or her industry training program, and under the direction of one or more qualified individuals.

TECHNICAL TRAINING

The institution-based (in-class or distance education) component of an industry training program that provides a combination of theoretical knowledge and practical skills to complement work-based training.

UTILIZATION RATES

The proportion of available spaces within ITA-funded technical training programs that were actually filled by training participants (including programs offered at public post-secondary institutions, by private trainers, and as part of pilot programs).

ita
industry training authority

INDUSTRY TRAINING AUTHORITY

800 – 8100 Granville Avenue,
Richmond, BC V6Y 3T6

Telephone 778.785.2400
Toll Free (within B.C.) 1.866.660.6011
Fax 778.785.2401 **Email** info@itabc.ca

www.itabc.ca